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IN THE UNITED STATES BANKRUPTCY COURT FOR THE
DISTRICT OF UTAH, CENTRAL DIVISION

In re:

AMERICAN INSTITUTIONAL
PARTNERS, LLC,

Debtor.

Bankruptcy No. 09-25375

(Chapter 11)

Honorable Judith A. Boulden

OBJECTION OF CREDITORS FAIRSTAR RESOURCES LTD AND GOLDLAW PTY LTD TO U.S. TRUSTEE'S RECOMMENDATION OF AUTOMATIC DISMISSAL

Fairstar Resources Ltd and Goldlaw Pty Ltd (hereinafter collectively referred to as "Fairstar"), judgment creditors of Debtor American Institutional Partners, LLC (the "Debtor") hereby respectfully object to the recommendation of the U.S. Trustee's Office, reflected in the U.S. Trustee's October 7, 2009 Minute Entry (Docket No. 57), for the automatic dismissal of the above-entitled Chapter 11 case of the Debtor. In support of its objection, Fairstar represents as follows:

1. Fairstar is a judgment creditor of the Debtor by virtue of a Judgment entered on November 24, 2008, in the amount of \$2,296,651.38 (the “Judgment”) entered by the Third District Court for the State of Utah (the “State Court”) in favor of Fairstar and against the Debtor. The Judgment was entered by the State Court in the context of a civil action filed on August 8, 2008 by Fairstar, entitled, Fairstar Resources Ltd v. American Institutional Partners, LLC, Mark Robbins, et. al., filed as Civil No. 080916464 (the “Civil Action”) in the State Court, and alleging fraudulent misrepresentation, conversion, breach of a Settlement Agreement, breach of the covenant of good faith and fair dealing and unjust enrichment against the Defendants. Since entry of the Judgment, Fairstar has sought to recover the amount of the Judgment from the Debtor, with some limited success.

2. During its efforts to gather information and enforce its Judgment, Fairstar obtained and served numerous Supplemental Orders from the State Court. However, Mark Robbins (“Robbins”), principal and co-owner (along with his current wife) of the Debtor failed and refused to show up in State Court on multiple occasions, despite being ordered by the State Court to do so. Ultimately, Fairstar obtained a Bench Warrant for Robbin’s arrest, which warrant is still outstanding and valid. Fairstar is advised, and asserts upon information and belief, that Robbins is currently residing in luxury accommodations in Southern California, evading service of process, and continues to refuse to comply with court orders, whether issued from the State Court, this Bankruptcy Court, or otherwise.

3. Fairstar has become aware of a fifty (50%) ownership interest held by a wholly-owned subsidiary of the Debtor, in Little Exuma Island, located in the Bahamas, which Fairstar believes to have significant value.

4. Fairstar asserts, upon information and belief, that the Debtor is endeavoring to dispose of its interests in the Bahama island, and see that the monies from such disposition are never made available to satisfy the claims of creditors of the Debtor, including but not limited to Fairstar.

5. Fairstar respectfully asserts that the best interests of the creditors of the Debtor's estate are not served by a dismissal of this pending Chapter 11 case, but rather are better served by allowing the case to proceed with Mr. Segal in place as Trustee, in order for the Trustee to be able to investigate and ultimately use tools provided by the Bankruptcy Code and Rules, including but not necessarily limited to the avoidance powers under the Bankruptcy Code, to assure that assets of the Estate, including, but not limited to the Debtor's interest in Little Exuma Island, are utilized to pay legitimate claims against the estate.

6. Fairstar strongly urges that this case be maintained as a pending case before this Court, and not dismissed, in order for Mr. Segal to be allowed a reasonable time period to function as the Chapter 7 Trustee in this case and objectively pursue the administration of the Debtor's estate.

Fairstar therefore respectfully urges that further discussion and investigation, along with the protection of the automatic stay and the tools provided by the Bankruptcy Code, utilized by Mr. Segal as the duly-appointed independent trustee of the Debtor's estate, will be the most

effective means to investigate potential recovery to creditors of the Debtor's estate, and is in the best interests of the Debtor's estate at this time.

DATED this 27th day of October, 2009.

KIRTON & McCONKIE

s/Robert S. Prince

Robert S. Prince
Attorneys for Fairstar Resources Ltd and
Goldlaw Pty Ltd

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing **OBJECTION OF CREDITORS FAIRSTAR RESOURCES LTD AND GOLDLAW PTY LTD TO U.S. TRUSTEE'S RECOMMENDATION OF AUTOMATIC DISMISSAL** was filed electronically with the Clerk of Court using the CM/ECF system, which sent electronic notification of such filing, on this 27th day of October, 2009, to each of the following:

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and that a true and correct copy of the foregoing **OBJECTION OF CREDITORS FAIRSTAR RESOURCES LTD AND GOLDLAW PTY LTD TO U.S. TRUSTEE'S RECOMMENDATION OF AUTOMATIC DISMISSAL** was mailed via United States first class mail on the 27th day of October to each of the following:

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